NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FØR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR ØRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

THIS LEASE AGREEMENT is made this

described land, hereinafter called leased premises:

Tachson a widow

PAID UP OIL AND GAS LEASE

(No Surface Use)

W

, 2009, by and between

B

, BLOCK

day of FEBRUARY

ACRES OF LAND, MORE OR LESS, BEING	LOT(S)	Ц·	, BLOCK
OUT OF THE MAIN SON HOLCIST		ADDITION	AN ADDITION TO THE CITY OF
FORT WORTH . TARRAN	IT COLINITY TO	VAS ACCORDING TO TH	IAT CERTAIN PLAT RECORDED
INVOLUME 120 CF DAGE	II COUNTI, IE	AAS, ACCORDING TO TH	DANT COUNTY TEVAC
IN VOLUME	OF THI	E PLAT RECORDS OF TAP	RANT COUNTY, TEXAS.
in the County of Tarrant, State of TEXAS, containing . I Lo Lo reversion, prescription or otherwise), for the purpose of exploring for, do substances produced in association therewith (including geophysicalist commercial gases, as well as hydrocarbon gases. In addition to the abound now or hereafter owned by Lessor which are contiguous or adjacent Lessor agrees to execute at Lessee's request any additional or supplement	eveloping, producing eismic operations). ive-described leased to the above-describ	and marketing oil and gas, along The term "gas" as used herein in premises, this lease also covers a red leased premises, and, in consid	ncludes helium, carbon dioxide and other ccretions and any small strips or parcels of deration of the aforementioned cash bonus,
of determining the amount of any shut-in royalties hereunder, the number	of gross acres above:	specified shall be deemed correct, v	whether actually more or less.
			5
2. This lease, which is a "paid-up" lease requiring no rentals, shall t	e in force for a prima	ry term of FIVE (C)years from the date hereof, and for
This lease, which is a "paid-up" lease requiring no rentals, shall that so long thereafter as oil or gas or other substances covered hereby are protherwise maintained in effect pursuant to the provisions hereof.			
 Royalties on oil, gas and other substances produced and saved separated at Lessee's separator facilities, the royalty shall be Turn Hy 	hereunder shall be p	paid by Lessee to Lessor as follows	3: (a) For oil and other liquid hydrocarbons
Lessor at the wellhead or to Lessor's credit at the oil purchaser's transported wellhead market price then prevailing in the same field (or if there is	rtation facilities, provid	ied that Lessee shall have the con	tinuing right to purchase such production at
prevailing price) for production of similar grade and gravity; (b) for g	as (including casing	head gas) and all other substan	ices covered hereby, the royalty shall be
ルビルHV- FIVE METCEN (人) 1/4) of the proceeds rea	lized by Lessee from	the sale thereof, less a proportional	ate part of ad valorem taxes and production,
severance, or other excise taxes and the costs incurred by Lessee in deli-	vering, processing or	otherwise marketing such gas or of	ther substances, provided that Lessee shall
have the continuing right to purchase such production at the prevailing we	Ilhead market price pa	aid for production of similar quality i	in the same field (or if there is no such price
then prevailing in the same field, then in the nearest field in which there	is such a prevailing p	rice) pursuant to comparable purch	hase contracts entered into on the same or
nearest preceding date as the date on which Lessee commences its purch	ases hereunder, and	(c) if at the end of the primary term	or any time thereafter one or more wells on
the leased premises or lands pooled therewith are capable of either produ- hydraulic fracture stimulation, but such well or wells are either shut-in or p			
be producing in paying quantities for the purpose of maintaining this lease	If for a period of 90	consecutive days such well or well	is are shut-in or production there from is not
being sold by Lessee, then Lessee shall pay shut-in royalty of one dollar	per acre then covered	by this lease, such payment to be	made to Lessor or to Lessor's credit in the
depository designated below, on or before the end of said 90-day period a	and thereafter on or b	efore each anniversary of the end	of said 90-day period while the well or wells
are shut-in or production there from is not being sold by Lessee; provid	ed that if this lease is	s otherwise being maintained by o	perations, or if production is being sold by
Lessee from another well or wells on the leased premises or lands pooled	therewith, no shut-in	royalty shall be due until the end o	of the 90-day period next following cessation
of such operations or production. Lessee's failure to properly pay shut-in a	oyalty shall render Le	ssee liable for the amount due, but	snall not operate to terminate this lease.
 All shut-in royalty payments under this lease shall be paid or ten be Lessor's depository agent for receiving payments regardless of change 	dered to Lessor or to	Lessor's credit in <u>at lessor's aud</u>	may be made in currency of by check of by
draft and such payments or tenders to Lessor or to the depository by dep	s in the ownership of locit in the US Mails i	salu lano. Ali payments di tenders i n a stampad envelone addressed t	to the depository or to the Lessor at the last
address known to Lessee shall constitute proper payment. If the deposite	ory should liquidate or	be succeeded by another institution	on, or for any reason fail or refuse to accept
payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a	proper recordable ins	strument naming another institution	as depository agent to receive payments.
Except as provided for in Paragraph 3, above, if Lessee drills a v	well which is incapable	e of producing in paying quantities	(hereinafter called "dry hole") on the leased
premises or lands pooled therewith, or if all production (whether or not	in paying quantities)	permanently ceases from any cau	use, including a revision of unit boundaries
pursuant to the provisions of Paragraph 6 or the action of any govern	mental authority, the	n in the event this lease is not o	therwise being maintained in force it shall
nevertheless remain in force if Lessee commences operations for reworks on the leased premises or lands pooled therewith within 90 days after cor	ng an existing well of	for dulling an additional well of for	otherwise obtaining of restoring production if at
the end of the primary term, or at any time thereafter, this lease is not of	ipieuon oi operations athenvice heing main	tained in force but Lessee is then	engaged in drilling, reworking or any other
operations reasonably calculated to obtain or restore production therefrom	n, this lease shall rem	ain in force so long as any one or n	nore of such operations are prosecuted with
no cessation of more than 90 consecutive days, and if any such operation	ons result in the produ	uction of oil or gas or other substa	inces covered hereby, as long thereafter as
there is production in paying quantities from the leased premises or land-	s pooled therewith. A	after completion of a well capable of	of producing in paying quantities hereunder,
Lessee shall drill such additional wells on the leased premises or lands po	oled therewith as a re	asonably prudent operator would d	irill under the same or similar circumstances
to (a) develop the leased premises as to formations then capable of pro	ducing in paying qua	ntities on the leased premises of it	ands pooled therewith, or (b) to protect the
leased premises from uncompensated drainage by any well or wells local additional wells except as expressly provided herein.	ed on other lands no	pooled therewitt. There shall be	tio coveriant to unit exploratory wells of any
6. Lessee shall have the right but not the obligation to pool all or a	any part of the leased	premises or interest therein with a	any other lands or interests, as to any or all
depths or zones, and as to any or all substances covered by this lease,	either before or afte	r the commencement of production	n, whenever Lessee deems it necessary or
proper to do so in order to prudently develop or operate the leased premit	ses, whether or not sig	milar pooling authority exists with re	espect to such other lands or interests. The
unit formed by such pooling for an oil well which is not a horizontal comp	etion shall not excee	d 80 acres plus a maximum acreac	ge tolerance of 10%, and for a gas well or a
horizontal completion shall not exceed 640 acres plus a maximum acreag	e tolerance of 10%; p	rovided that a larger unit may be to	imed for all oil well or gas well or nonzontal
completion to conform to any well spacing or density pattern that may be of the foregoing, the terms "oil well" and "gas well" shall have the meaning	prescribed or permitte	su by any governmental authority in	ernmental authority or if no definition is so
prescribed, "oil well" means a well with an initial gas-oil ratio of less than	193 prescribed by app 100 000 cubic feet per	barrel and "gas well" means a wel	with an initial gas-oil ratio of 100,000 cubic
feet or more per barrel, based on 24-hour production test conducted in	under normal produc	ing conditions using standard leas	se separator facilities or equivalent testing
equipment; and the term "horizontal completion" means an oil well in	which the horizontal	component of the gross completic	on interval in facilities or equivalent testing
equipment; and the term "horizontal completion" means an oil well in wh	ich the horizontal co	mponent of the gross completion in	nterval in the reservoir exceeds the vertical
component thereof. In exercising its pooling rights hereunder, Lessee's	hall tile of record a w	intten declaration describing the un	it and stating the elective date of pooling.
Production, drilling or reworking operations anywhere on a unit which in reworking operations on the leased premises, except that the production	nouces an or any pa	nt or the reason premises shall be valty is calculated shall be that occur	nortion of the total unit production, uniting of
net acreage covered by this lease and included in the unit bears to the	total gross acreage i	n the unit, but only to the extent s	uch proportion of unit production is sold by
Lessee. Pooling in one or more instances shall not exhaust Lessee's po-	oling rights hereunder	r, and Lessee shall have the recurr	ing right but not the obligation to revise any
unit formed hereunder by expansion or contraction or both, either before	e or after commencer	ment of production, in order to cor	nform to the well spacing or density pattern
prescribed or permitted by the governmental authority having jurisdiction	, or to conform to an	y productive acreage determination	n made by such governmental authority. In
making such a revision, Lessee shall file of record a written declaration d	escribing the revised	unit and stating the effective date	or revision. To the extent any portion of the
leased premises is included in or excluded from the unit by virtue of such	revision, the proporti	on or unit production on which roys	see may terminate the unit by filing of record
be adjusted accordingly. In the absence of production in paying quantities a written declaration describing the unit and stating the date of termination	o nom a unit, or upon Pooling bereunder	permanent cessation triefeor, Less shall not constitute a cross-conveva	ance of interests.
7. If Lessor owns less than the full mineral estate in all or any part of	of the leased premise:	s, the royalties and shut-in royalties	payable hereunder for any well on any part
of the leased premises or lands pooled therewith shall be reduced to the p	proportion that Lessor	's interest in such part of the leased	premises bears to the full mineral estate in
such part of the leased premises		-	

- 8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or unfit Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to
- pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

 9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.
- 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.
- equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

 11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any government. having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof.
- control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof.

 Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

 12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

 13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and termination that a breach or default and Lessee fails to be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.
- time after said judicial determination to remedy the breach or default and Lessee fails to do so.
- 14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.
- 15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.
- Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms hich Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)			
Maggie Be Jackson	By:		
ACKNOWLEDGMENT			
STATE OF TOXCIS	INOWLEDGMENT		
	Tobasic all		
This instrument was acknowledged before me on the by: Maggie B. Jack N. W.	day of FCDrUCLY , 2009,		
	KRacker-Pulk		
KISHA G. PACKER POLK	Notary Public, State of TEXC/S		
Notary Public, State of Texas My Commission Expired April 15, 2012	Notary's name (printed): Notary's commission expires:		
STATE OF			
COUNTY OF			
This instrument was acknowledged before me on the by:	_day of, 2009,		



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

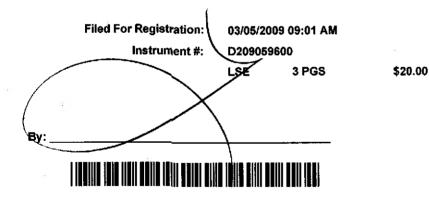
DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> <u>WARNING - THIS IS PART OF THE OFFICIAL RECORD.</u>



D209059600

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